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August 19, 2002

OF COUNSEL  
WILLIAM G. CONLY

Honorable James H. Welsh  
Commissioner of Conservation  
State of Louisiana  
Post Office Box 44275  
Baton Rouge, Louisiana 70804-4275

Re: APPLICATION FOR PUBLIC HEARING.

Cotton Valley Formation, Reservoir A, HOLLY  
FIELD, DeSoto Parish, Louisiana.

Dear Sir:

EL PASO PRODUCTION COMPANY ("Applicant") hereby respectfully applies for a public hearing to consider evidence relative to the issuance of an Order pertaining to the following matters relating to the Cotton Valley Formation, Reservoir A, in the Holly Field, DeSoto Parish, Louisiana:

1. To authorize Applicant to drill, designate and utilize three (3) additional alternate unit wells for CV RA SUM at the locations shown on the attached plat, in exception to the well location provisions of Office of Conservation Order No. 88-E, effective August 1, 1975.
2. To find that each of the proposed alternate unit wells is necessary to efficiently and economically drain a portion of the Cotton Valley Formation, Reservoir A, underlying CV RA SUM which cannot be efficiently and economically drained by any existing well on such unit.
3. To permit the Operator of CV RA SUM to produce the unit allowable assigned to this unit from either the unit well, any alternate unit well, or from any combination of such wells, at the option of the Operator.
4. To permit Applicant to combine downhole in the proposed alternate unit wells production from the Cotton Valley Formation, Reservoir A, with production from the Hosston Formation, Reservoir A, pursuant to the provisions of Office of Conservation Order No. 88-2, effective May 26, 1976.
5. To consider such other matters as may be appropriate and justified by the evidence presented at the hearing.

The Cotton Valley Formation, Reservoir A, in the Holly Field, DeSoto Parish, Louisiana, is defined in Office of Conservation Order No. 88-E, effective August 1, 1975.

Pertinent data concerning this application is available for inspection at the offices of Louis Gilbert & Associates, Inc., 3636 North Causeway Boulevard, Suite 204, Metairie, Louisiana 70002-7216. Any person wishing to inspect such data should call Mr. Louis Gilbert at (504) 834-8112 during normal business hours in order to arrange a date and time for such inspection. A copy of any such pertinent data which is not otherwise available from the Office of Conservation can be obtained from Applicant at the expense of the requesting party.

Honorable James H. Welsh  
August 19, 2002  
Page 2

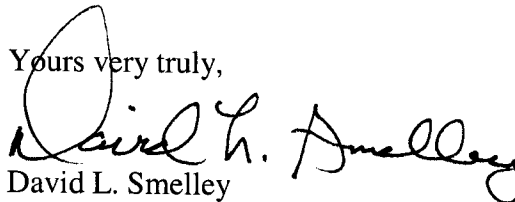
As provided by the Revised Rules of Procedure, the subject matter of this application does not require the issuance of a pre-application notice; therefore, no such notice has been issued.

Pursuant to the aforesaid Rules of Procedure, Applicant has made a reasonable effort to obtain the names and addresses of all Interested Owners, Represented Parties and Interested Parties to whom notice of this application is being sent and has attached hereto a list of the names and addresses of such parties. A copy of this letter, and of the attached plat, is being sent to the District Manager of the Shreveport District of the Office of Conservation and to the Interested Owners, Represented Parties and Interested Parties as shown on the attached list.

Applicant will provide for posting of a copy of the Legal Notice of this hearing, and of the enclosed plat, at a prominent place in the area affected and will cause publication of the Legal Notice in a newspaper published in the general area of Holly Field, all in accordance with the Revised Rules of Procedure. Furthermore, Applicant will mail a copy of the Legal Notice to all Interested Owners, Represented Parties and Interested Parties promptly upon receipt of the Legal Notice from the Commissioner.

Finally, enclosed herewith is our check payable to the Office of Conservation covering the application fee.

Yours very truly,

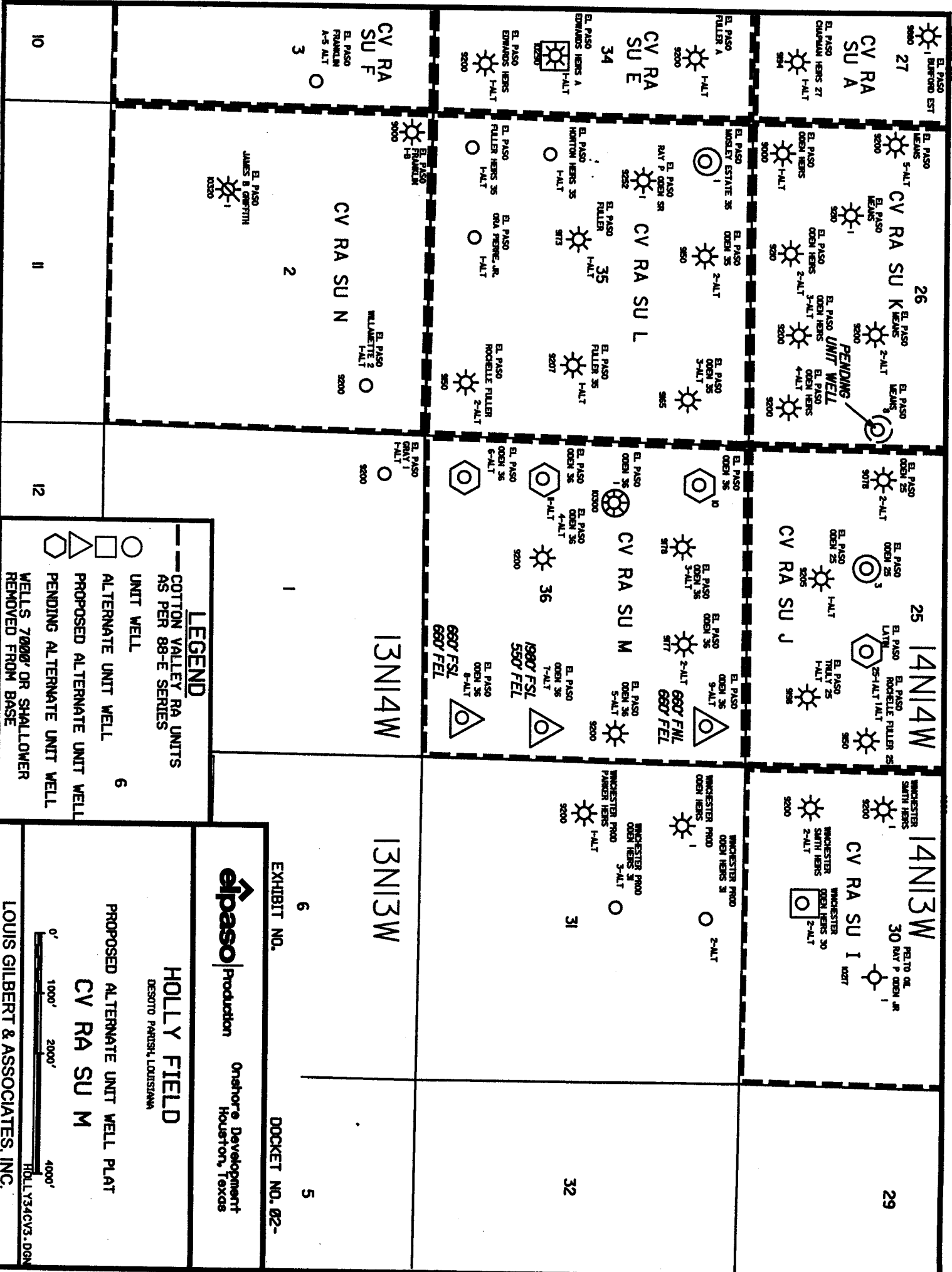


David L. Smelley

-- Attorney for El Paso Production Company

DLS:dp  
Enclosures

cc: Mr. Jim Broussard (w/encls.)  
Mr. Paul Eschete (w/encls.)  
Mr. Julian Chahin (w/encls.)  
Ms. Shirley Galik (w/encls.)  
Mr. Louis Gilbert (w/encls.)  
Interested Owners, Represented Parties  
and Interested Parties (w/copy of plat only)



**LEGEND**

--- COTTON VALLEY RA UNITS  
AS PER 88-E SERIES

○ UNIT WELL

□ ALTERNATE UNIT WELL

△ PROPOSED ALTERNATE UNIT WELL

◇ PENDING ALTERNATE UNIT WELL

WELLS 7000' OR SHALLOWER  
REMOVED FROM BASE

**HOLLY FIELD**  
DESBTO PARISH, LOUISIANA

**elpaso** Production Onshore Development  
Houston, Texas

PROPOSED ALTERNATE UNIT WELL PLAT  
**CV RA SU M**

0' 1000' 2000' 4000'

HOLLY34CV3.DGN

LOUIS GILBERT & ASSOCIATES, INC.

EXHIBIT NO. DOCKET NO. 02-